

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

IN RE
PHASE II GOLF BALLS INC A

DEBTOR(S).

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§
§

CASE NO. 01-32672-DRS
CHAPTER 7

**TRUSTEE'S FINAL REPORT, APPLICATION FOR
COMPENSATION, AND REPORT OF PROPOSED DISTRIBUTION**

Mark A. Weisbart, Trustee of the estate of the above-named Debtor(s), certifies to the Court and the United States Trustee, that the Trustee has faithfully and properly fulfilled the duties of the office of the Trustee, that the Trustee has examined all proofs of claim as appropriate under the proposed distribution, and that the proposed distribution, attached hereto, is proper, and consistent with the law and rules of the Court. The Trustee applies for commissions and expenses set forth herein and states that they are reasonable and proper.

I hereby authorize the Office of the United States Trustee to file by electronic means this Trustee's Final Report, Application for Compensation and Report of Proposed Distribution on my behalf, and I agree and acknowledge that the designation of my signature on this document, once filed, constitutes my valid signature for the purposes of 11 U.S.C. §704(9) and Fed. R. Bankr. Pro. 9011.

Therefore, the Trustee requests that the Final Report, Application for Compensation, and Report of Proposed Distribution be approved.

DATE: 06/12/06



Mark A. Weisbart, Trustee
Texas Bar No. 21102650TX
5950 Sherry Lane, Suite 222
Dallas, TX 75225
(214) 379-0790; Fax (214) 379-0780
CHAPTER 7 TRUSTEE

REVIEWED BY THE UNITED STATES TRUSTEE

I have reviewed the Trustee's Final Report, Application for Compensation, and Report of Proposed Distribution.

UNITED STATES TRUSTEE
EASTERN DISTRICT OF TEXAS

Date: _____

By: _____

**UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION**

IN RE
PHASE II GOLF BALLS INC A

DEBTOR(S).

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CASE NO. 01-32672-DRS
CHAPTER 7

**TRUSTEE'S FINAL REPORT, APPLICATION FOR COMPENSATION AND
APPLICATION TO CLOSE CASE AND DISCHARGE TRUSTEE**

The Trustee of the estate presents the following Final Report:

1. The Trustee applies for commissions and expenses set forth in Schedule A and states: That they are reasonable and proper, that in the course of the performance of duties, the Trustee has advanced monies from personal funds for expenses, and that the Trustee has not been reimbursed or indemnified.

2. The Trustee submits Form I as a summary of the assets and an estate record. Any property scheduled under 11 U.S.C. §521(1) and not administered shall be deemed abandoned pursuant to 11 U.S.C. §554(c).

3. The Trustee has reduced all assets of this estate to cash or otherwise lawfully disposed of them and the estate is ready to be closed.

4. The Trustee submits Form II as the account of the estate cash receipts and disbursements.

5. There is no agreement or understanding between the Trustee and any other person for a division of the compensation sought by this application except as permitted by the Bankruptcy Code.

6. The Trustee requests approval of this Final Report.

7. The Trustee has examined each and every claim filed and noted his approval of claims as filed, or he has filed objections to allowances or requests for reclassification.

**TRUSTEE'S FINAL REPORT, APPLICATION FOR COMPENSATION
AND APPLICATION TO CLOSE CASE AND DISCHARGE TRUSTEE - Page 1**

8. The Trustee further requests that after final distribution of all monies in accordance with the Trustee's Report of Final Distribution, and upon filing of a Supplemental Final Report and Account and certification by the U.S. Trustee, the Trustee be discharged from office and the case be closed.

I declare under penalty of perjury that this report and attached Schedules are true and correct to the best of my knowledge.

DATED: 6-20, 2006.



MARK A. WEISBART, CHAPTER 7 TRUSTEE

SCHEDULE A-1

FINAL ACCOUNT AS OF June 13, 2006

A. RECEIPTS

\$167,782.40

B. DISBURSEMENTS

| | |
|--------------------------------------|-----------------------|
| (1) Secured Creditors | \$ + <u>60,300.83</u> |
| (2) Administrative | \$ +23,671.21 |
| (3) Priority | \$ + <u>0.00</u> |
| (4) Other (payments made at closing) | \$ + 15,284.84 |

TOTAL DISBURSEMENTS

\$99,256.88

CURRENT BALANCE

\$68,525.52

FORM 1
INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT
ASSET CASES

Page: 1

Case No: 01-32672 DRS Judge: Donald R. Sharp
Case Name: PHASE II GOLF BALLS INC A

Trustee Name: Mark A. Weisbart, Trustee
Date Filed (f) or Converted (c): 07/10/01 (f)
341(a) Meeting Date: 08/31/01
Claims Bar Date: 12/06/01

For Period Ending: 06/12/06

| 1 | 2 | 3 | 4 | 5 | 6 |
|---|------------------------------------|---|---|---|---|
| Asset Description (Scheduled and Unscheduled (u) Property) | Petition/ Unscheduled Values | Estimated Net Value (Value Determined by Trustee, Less Liens, Exemptions, and Other Costs) | Property Abandoned OA=554(a) Abandon DA=554(c) Abandon | Sale/Funds Received by the Estate | Asset Fully Administered (FA)/ Gross Value of Remaining Assets |
| 1. Cash in Bank Accounts Bank of DeKalb - Red River Branch | 9,969.83 | 6,500.00 | | 6,500.00 | FA |
| 2. Accounts Receivable (u) | 0.00 | 3,200.00 | | 3,200.00 | FA |
| 3. Post-Petition Interest Deposits (u) | Unknown | N/A | | 575.45 | Unknown |
| 4. Cash in Bank Accounts Hibernia National Bank | 50.00 | 5,000.00 | | 4,183.12 | FA |
| 5. Cash on Hand Petty cash | 100.00 | 0.00 | DA | 0.00 | FA |
| 6. Cash in Bank Accounts Payroll | 77.58 | 0.00 | DA | 0.00 | FA |
| 7. Security Deposits TU Electric Security Deposit | 8,500.00 | 1,000.00 | | 4,923.83 | FA |
| 8. Partnership Interest WalMart contract sales agreement for furnishing golf balls | 50,000.00 | 0.00 | DA | 0.00 | FA |
| 9. Equitable Future Interest Improvements to leasehold, improvements to building leased from city for corp. | 28,000.00 | 10,000.00 | DA | 0.00 | FA |
| 10. Licenses, Franchises, etc. Phase II Web Site | 2,500.00 | 0.00 | DA | 0.00 | FA |
| 11. Office Eqpt, Furnishings & Sup Furniture and fixtures, desks, cabinets, chairs, computers, lights | 20,000.00 | 0.00 | DA | 0.00 | FA |
| 12. Machinery, Fixtures, et al Office machinery, spinning machine, recovering and painting | 125,000.00 | 0.00 | DA | 0.00 | FA |
| 13. Inventory Inventory restored golf balls, ready for sale | 80,000.00 | 5,000.00 | DA | 0.00 | FA |
| 14. Real estate | 0.00 | 0.00 | | 133,115.16 | FA |

FORM 1
INDIVIDUAL ESTATE PROPERTY RECORD AND REPORT
ASSET CASES

Page: 2

Case No: 01-32672 DRS Judge: Donald R. Sharp
Case Name: PHASE II GOLF BALLS INC A

Trustee Name: Mark A. Weisbart, Trustee
Date Filed (f) or Converted (c): 07/10/01 (f)
341(a) Meeting Date: 08/31/01
Claims Bar Date: 12/06/01

| 1 | 2 | 3 | 4 | 5 | 6 |
|---|------------------------------------|---|---|---|---|
| Asset Description (Scheduled and Unscheduled (u) Property) | Petition/ Unscheduled Values | Estimated Net Value (Value Determined by Trustee, Less Liens, Exemptions, and Other Costs) | Property Abandoned OA=554(a) Abandon DA=554(c) Abandon | Sale/Funds Received by the Estate | Asset Fully Administered (FA)/ Gross Value of Remaining Assets |
| 3 Acres, John M. Ritchey, No. 708, Red River County, Texas 15. Reimbursement (u) Reimbursement from Star Net Paging for check written from wrong case in error | 0.00 | Unknown | DA | 0.00 | FA |

| | | | | |
|--|---------------------------------|---------------------|---------------------------------|-----------------------------------|
| | Gross Value of Remaining Assets | | Gross Value of Remaining Assets | |
| TOTALS (Excluding Unknown Values) | \$ 324,197.41 | \$ 30,700.00 | \$ 152,497.56 | \$0.00 |
| | | | | (Total Dollar Amount in Column 6) |

Major activities affecting case closing which are not reflected above, and matters pending, date of hearing or sale, and other action:

There may be equity in the inventory and value in leasehold interest. Further information has been requested.

4/15/02: Personal property has been abandoned. Trustee is attempting to market real property.

3/31/03: Recent sale of real estate.

3/31/04: TFR ready to file.

3/31/05: TFR to be filed, tax returns audited.

March 22, 2006, 02:37 pm Trying to resolve one final issue with principals of company before TFR will be filed.

Initial Projected Date of Final Report (TFR): 07/31/03 Current Projected Date of Final Report (TFR): 07/31/06

FORM 2

Page: 1

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 01-32672 -DRS
Case Name: PHASE II GOLF BALLS INC A

Trustee Name: Mark A. Weisbart, Trustee
Bank Name: Bank of America
Account Number / CD #: *****0334 GENERAL SAVINGS

Taxpayer ID No: *****7753
For Period Ending: 06/19/06

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

| 1 | 2 | 3 | 4 | | 5 | 6 | 7 |
|------------------|--------------------|--|----------------------------|--------------------|---------------|--------------------|---------------------------|
| Transaction Date | Check or Reference | Paid To / Received From | Description Of Transaction | Uniform Tran. Code | Deposits (\$) | Disbursements (\$) | Account / CD Balance (\$) |
| 08/01/01 | 1 | Phase II Golf Balls, Inc. 305 Industrial Blvd. Clarksville, TX 75426 | Cash in Bank Account | 1290-000 | 6,500.00 | | 6,500.00 |
| 08/31/01 | 3 | Bank of America | Interest Rate 2.100 | 1270-000 | 11.23 | | 6,511.23 |
| 09/04/01 | 2 | Phase II Golf Balls, Inc. 305 Industrial Blvd. Clarksville, TX 75426 | Accounts Receivable | 1290-000 | 3,200.00 | | 9,711.23 |
| 09/25/01 | 4 | Phase II Golf Balls, Inc. 305 Industrial Blvd. Clarksville, TX 75426 | Cash in Bank Account | 1290-000 | 2,000.00 | | 11,711.23 |
| 09/28/01 | 3 | Bank of America | Interest Rate 2.100 | 1270-000 | 14.67 | | 11,725.90 |
| 10/23/01 | 4 | Phase II Golf Balls, Inc. 305 Industrial Blvd. Clarksville, TX 75426 | Cash | 1290-000 | 2,183.12 | | 13,909.02 |
| 10/31/01 | 3 | Bank of America | Interest Rate 2.100 | 1270-000 | 23.04 | | 13,932.06 |
| 11/30/01 | 3 | Bank of America | Interest Rate 1.500 | 1270-000 | 20.17 | | 13,952.23 |
| 12/31/01 | 3 | Bank of America | Interest Rate 1.500 | 1270-000 | 17.79 | | 13,970.02 |
| 01/31/02 | 3 | Bank of America | Interest Rate 1.500 | 1270-000 | 17.81 | | 13,987.83 |
| 02/28/02 | 3 | Bank of America | Interest Rate 1.500 | 1270-000 | 16.10 | | 14,003.93 |
| 03/29/02 | 3 | Bank of America | Interest Rate 1.200 | 1270-000 | 14.74 | | 14,018.67 |
| 04/30/02 | 3 | Bank of America | Interest Rate 1.200 | 1270-000 | 13.83 | | 14,032.50 |
| 05/31/02 | 3 | Bank of America | Interest Rate 1.200 | 1270-000 | 14.30 | | 14,046.80 |
| 06/28/02 | 3 | Bank of America | Interest Rate 1.200 | 1270-000 | 13.85 | | 14,060.65 |
| 07/31/02 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 14.33 | | 14,074.98 |
| 08/30/02 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 14.34 | | 14,089.32 |
| 09/30/02 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 13.90 | | 14,103.22 |
| 10/31/02 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 14.37 | | 14,117.59 |
| 11/29/02 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 11.48 | | 14,129.07 |
| 12/31/02 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 10.21 | | 14,139.28 |
| 01/31/03 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 10.21 | | 14,149.49 |

Page Subtotals

14,149.49

0.00

FORM 2

Page: 2

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 01-32672 -DRS
Case Name: PHASE II GOLF BALLS INC A

Trustee Name: Mark A. Weisbart, Trustee
Bank Name: Bank of America
Account Number / CD #: *****0334 GENERAL SAVINGS

Taxpayer ID No: *****7753
For Period Ending: 06/19/06

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

| 1 | 2 | 3 | 4 | | 5 | 6 | 7 |
|------------------|--------------------|--|---|--------------------|---------------|--------------------|---------------------------|
| Transaction Date | Check or Reference | Paid To / Received From | Description Of Transaction | Uniform Tran. Code | Deposits (\$) | Disbursements (\$) | Account / CD Balance (\$) |
| 02/28/03 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 9.23 | | 14,158.72 |
| 03/31/03 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 6.42 | | 14,165.14 |
| 04/08/03 | 14 | Gooding Title Company 228 N. Walnut Clarksville, TX 75426 | Sale of land | 1110-000 | 8,400.00 | | 22,565.14 |
| 04/08/03 | 14 | Gooding Title Company 228 N. Walnut Clarksville, TX 75426 GOODING TITLE COMPANY | Sale of real property (total price - \$140,000.00) | | 124,715.16 | | 147,280.30 |
| | | | Memo Amount: 140,000.00 | 1110-000 | | | |
| | | | Sale of real property | | | | |
| | | | Memo Amount: (8,400.00) | 2500-000 | | | |
| | | | Total Reduction Due Seller | | | | |
| | | | Memo Amount: (6,884.84) | 4110-000 | | | |
| | | | Lien Payoff | | | | |
| 04/30/03 | 3 | Bank of America | Interest Rate 0.500 | 1270-000 | 35.99 | | 147,316.29 |
| 04/30/03 | | Transfer to Acct #*****3414 | Bank Funds Transfer | 9999-000 | | 60,300.83 | 87,015.46 |
| 05/07/03 | | Transfer to Acct #*****3414 | Bank Funds Transfer | 9999-000 | | 900.00 | 86,115.46 |
| * 05/15/03 | 15 | Star Net Paging | Reimbursement | 1290-003 | | | 86,115.46 |
| | | | Deposit is made to cover the \$900 transferred and written out of the checking account in error. It should have been written out of the Star Net Paging checking account. | | | | |
| * 05/15/03 | 15 | Star Net Paging | Reimbursement | 1290-003 | | | 86,115.46 |
| | | | Wrong amount entered | | | | |
| 05/15/03 | | Star Net Paging Case No. 01-42597 | Reimbursement | 1180-000 | 900.00 | | 87,015.46 |
| 05/30/03 | 3 | Bank of America | Interest Rate 0.500 | 1270-000 | 36.84 | | 87,052.30 |
| 06/06/03 | | Transfer to Acct #*****3414 | Bank Funds Transfer | 9999-000 | | 12,513.50 | 74,538.80 |
| 06/30/03 | 3 | Bank of America | Interest Rate 0.500 | 1270-000 | 31.49 | | 74,570.29 |
| 07/31/03 | 3 | Bank of America | Interest Rate 0.200 | 1270-000 | 12.67 | | 74,582.96 |

Page Subtotals

134,147.80

73,714.33

FORM 2

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ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 01-32672 -DRS
Case Name: PHASE II GOLF BALLS INC A

Trustee Name: Mark A. Weisbart, Trustee
Bank Name: Bank of America
Account Number / CD #: *****0334 GENERAL SAVINGS

Taxpayer ID No: *****7753
For Period Ending: 06/19/06

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

| 1 | 2 | 3 | 4 | | 5 | 6 | 7 |
|------------------|--------------------|-----------------------------|----------------------------|--------------------|---------------|--------------------|---------------------------|
| Transaction Date | Check or Reference | Paid To / Received From | Description Of Transaction | Uniform Tran. Code | Deposits (\$) | Disbursements (\$) | Account / CD Balance (\$) |
| 08/29/03 | 3 | Bank of America | Interest Rate 0.200 | 1270-000 | 12.66 | | 74,595.62 |
| 09/30/03 | 3 | Bank of America | Interest Rate 0.200 | 1270-000 | 12.27 | | 74,607.89 |
| 10/14/03 | | Transfer to Acct #*****3414 | Bank Funds Transfer | 9999-000 | | 577.50 | 74,030.39 |
| 10/31/03 | 3 | Bank of America | Interest Rate 0.200 | 1270-000 | 12.62 | | 74,043.01 |
| 11/28/03 | 3 | Bank of America | Interest Rate 0.200 | 1270-000 | 12.17 | | 74,055.18 |
| 12/31/03 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 6.29 | | 74,061.47 |
| 01/30/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 6.27 | | 74,067.74 |
| 02/27/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.87 | | 74,073.61 |
| 03/25/04 | | Transfer to Acct #*****3414 | Bank Funds Transfer | 9999-000 | | 10,580.21 | 63,493.40 |
| 03/31/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 6.11 | | 63,499.51 |
| 04/30/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.20 | | 63,504.71 |
| 05/07/04 | 7 | TXU Energy | Security Deposit Refund | 1129-000 | 4,923.83 | | 68,428.54 |
| 05/28/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.65 | | 68,434.19 |
| 06/30/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.61 | | 68,439.80 |
| 07/30/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.79 | | 68,445.59 |
| 08/31/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.80 | | 68,451.39 |
| 09/30/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.61 | | 68,457.00 |
| 10/29/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.79 | | 68,462.79 |
| 11/30/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.62 | | 68,468.41 |
| 12/31/04 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.80 | | 68,474.21 |
| 01/31/05 | 3 | Bank of America | Interest Rate 0.100 | 1270-000 | 5.81 | | 68,480.02 |
| 02/28/05 | 3 | Bank of America | Interest Rate 0.250 | 1270-000 | 13.13 | | 68,493.15 |
| 03/31/05 | 3 | Bank of America | Interest Rate 0.250 | 1270-000 | 14.54 | | 68,507.69 |
| 04/29/05 | 3 | Bank of America | Interest Rate 0.250 | 1270-000 | 14.07 | | 68,521.76 |
| 05/09/05 | 3 | Bank of America | INTEREST REC'D FROM BANK | 1270-000 | 3.76 | | 68,525.52 |
| 05/09/05 | | Transfer to Acct #*****3414 | Final Posting Transfer | 9999-000 | | 68,525.52 | 0.00 |

Page Subtotals

5,100.27

79,683.23

FORM 2

Page: 4

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 01-32672 -DRS
Case Name: PHASE II GOLF BALLS INC A

Trustee Name: Mark A. Weisbart, Trustee
Bank Name: Bank of America
Account Number / CD #: *****0334 GENERAL SAVINGS

Taxpayer ID No: *****7753
For Period Ending: 06/19/06

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

| 1 | 2 | 3 | 4 | | 5 | 6 | 7 |
|------------------|--------------------|--------------------------------|----------------------------|--------------------|---------------|--------------------|---------------------------|
| Transaction Date | Check or Reference | Paid To / Received From | Description Of Transaction | Uniform Tran. Code | Deposits (\$) | Disbursements (\$) | Account / CD Balance (\$) |
| | | Memo Allocation Receipts: | 140,000.00 | | | | |
| | | Memo Allocation Disbursements: | 15,284.84 | | | | |
| | | Memo Allocation Net: | 124,715.16 | | | | |
| | | | COLUMN TOTALS | | 153,397.56 | 153,397.56 | 0.00 |
| | | | Less: Bank Transfers/CD's | | 900.00 | 153,397.56 | |
| | | | Subtotal | | 152,497.56 | 0.00 | |
| | | | Less: Payments to Debtors | | | 0.00 | |
| | | | Net | | 152,497.56 | 0.00 | |

Page Subtotals 0.00 0.00

FORM 2

Page: 5

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 01-32672 -DRS
Case Name: PHASE II GOLF BALLS INC A

Trustee Name: Mark A. Weisbart, Trustee
Bank Name: Bank of America
Account Number / CD #: *****3414 GENERAL CHECKING

Taxpayer ID No: *****7753
For Period Ending: 06/19/06

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

| 1 | 2 | 3 | 4 | | 5 | 6 | 7 |
|------------------|--------------------|---|---|--------------------|---------------|--------------------|---------------------------|
| Transaction Date | Check or Reference | Paid To / Received From | Description Of Transaction | Uniform Tran. Code | Deposits (\$) | Disbursements (\$) | Account / CD Balance (\$) |
| 04/30/03 | 000101 | Transfer from Acct #*****0334 | Bank Funds Transfer | 9999-000 | 60,300.83 | | 60,300.83 |
| 04/30/03 | | Heller First Capital Corp. c/o Fernandez & Gibbs, LLP 2001 Bryan St., Suite 3050 Dallas, TX 75201-3050 | Settlement Proceeds per order dated 10/05/02 | 2500-000 | | 60,300.83 | 0.00 |
| 05/07/03 | | Transfer from Acct #*****0334 | Bank Funds Transfer | 9999-000 | 900.00 | | 900.00 |
| 05/15/03 | | | Adjustment to cover Check #101 Adjustment is made to cover Check #101 written from this account, but in the wrong case. | 8500-000 | | 900.00 | 0.00 |
| 06/06/03 | 000102 | Transfer from Acct #*****0334 | Bank Funds Transfer | 9999-000 | 12,513.50 | | 12,513.50 |
| 06/06/03 | | Brunson & Associates 4400 Forney Rd. Mesquite, TX 75149 | Auctioneer's Fees per order dated 5/29/03 | 3620-000 | | 12,513.50 | 0.00 |
| 10/14/03 | 000103 | Transfer from Acct #*****0334 | Bank Funds Transfer | 9999-000 | 577.50 | | 577.50 |
| 10/14/03 | | Mulloy & Company 1603 LBJ Freeway, Suite 850 Dallas, TX 75234 | Accountant's Fees and Expenses per order dated 10/08/03 | | | 577.50 | 0.00 |
| | | | Fees 472.50 | 3410-000 | | | 0.00 |
| | | | Expenses 105.00 | 3420-000 | | | 0.00 |
| 03/25/04 | 000104 | Transfer from Acct #*****0334 | Bank Funds Transfer | 9999-000 | 10,580.21 | | 10,580.21 |
| 03/25/04 | | Mark A. Weisbart Kessler & Collins 5950 Sherry Lane, Suite 222 Dallas, TX 75225 | Attorney Fees per order dated 03/23/04 | | | 10,580.21 | 0.00 |
| | | | Fees 10,415.00 | 3110-000 | | | 0.00 |
| | | | Expenses 165.21 | 3120-000 | | | 0.00 |
| 05/09/05 | | Transfer from Acct #*****0334 | Transfer In From MMA Account | 9999-000 | 68,525.52 | | 68,525.52 |

Page Subtotals

153,397.56

84,872.04

FORM 2

Page: 6

ESTATE CASH RECEIPTS AND DISBURSEMENTS RECORD

Case No: 01-32672 -DRS
Case Name: PHASE II GOLF BALLS INC A

Trustee Name: Mark A. Weisbart, Trustee
Bank Name: Bank of America
Account Number / CD #: *****3414 GENERAL CHECKING

Taxpayer ID No: *****7753
For Period Ending: 06/19/06

Blanket Bond (per case limit): \$ 300,000.00
Separate Bond (if applicable):

| 1 | 2 | 3 | 4 | | 5 | 6 | 7 |
|------------------|--------------------|---------------------------------|----------------------------|------------------------------|------------------------------|--------------------------------|---------------------------|
| Transaction Date | Check or Reference | Paid To / Received From | Description Of Transaction | Uniform Tran. Code | Deposits (\$) | Disbursements (\$) | Account / CD Balance (\$) |
| | | Memo Allocation Receipts: | 0.00 | COLUMN TOTALS | 153,397.56 | 84,872.04 | 68,525.52 |
| | | Memo Allocation Disbursements: | 0.00 | Less: Bank Transfers/CD's | 153,397.56 | 0.00 | |
| | | | | Subtotal | 0.00 | 84,872.04 | |
| | | Memo Allocation Net: | 0.00 | Less: Payments to Debtors | | 0.00 | |
| | | | | Net | 0.00 | 84,872.04 | |
| | | | | | | NET | ACCOUNT |
| | | | | | | DISBURSEMENTS | BALANCE |
| | | Total Allocation Receipts: | 140,000.00 | TOTAL - ALL ACCOUNTS | NET DEPOSITS | | |
| | | Total Allocation Disbursements: | 15,284.84 | GENERAL SAVINGS - *****0334 | 152,497.56 | 0.00 | 0.00 |
| | | | | GENERAL CHECKING - *****3414 | 0.00 | 84,872.04 | 68,525.52 |
| | | Total Memo Allocation Net: | 124,715.16 | | | | |
| | | | | | 152,497.56 | 84,872.04 | 68,525.52 |
| | | | | | (Excludes Account Transfers) | (Excludes Payments To Debtors) | Total Funds On Hand |

Page Subtotals 0.00 0.00

SCHEDULE B

APPLICATION FOR COMPENSATION

COMPUTATION OF COMMISSIONS (cases filed after 10/94)

| | | | |
|------------------|---------------------|----------------------|--------------------|
| Total Receipts | | | \$167,782.40 |
| | <u>\$167,782.40</u> | 25% of First \$5,000 | <u>\$1,250.00</u> |
| Less | -5,000.00 | (\$1,250 Maximum) | |
| Balance | <u>\$162,782.40</u> | 10% of Next \$45,000 | <u>\$4,500.00</u> |
| Less | -45,000.00 | (\$4,500 Maximum) | |
| Balance | <u>\$117,782.40</u> | 5% of Next \$950,000 | <u>\$5,889.12</u> |
| Less | -950,000.00 | (\$47,500 Maximum) | |
| Balance | <u>0.00</u> | 3% of Balance | <u>\$0.00</u> |
| TOTAL COMMISSION | | | <u>\$11,639.12</u> |

UNREIMBURSED EXPENSES

| | |
|-------------------------------|-----------------|
| Courier | <u>\$47.60</u> |
| Photocopy/Duplication Expense | <u>\$106.57</u> |
| Legal Assistant | <u>\$701.10</u> |
| Miscellaneous Expense | <u>\$68.00</u> |
| Postage | <u>\$12.00</u> |
| TOTAL UNREIMBURSED EXPENSES | <u>\$935.27</u> |

Records:

Trustee did not take possession of business or personal records of the debtor.



Notice of intent to abandon books and records of debtor filed on

Compensation and Expenses Worksheet

Case Number: 01-32672 DRS

Debtor: PHASE II GOLF BALLS INC A

1. COMPUTATION OF COMPENSATION

Total disbursements to other than the debtor are:

| | | | | |
|---|---------|--------------|----------------------|--------------|
| Pursuant to 11 U.S.C. § 326, compensation is computed as follows: | | | | \$167,782.40 |
| | | \$167,782.40 | 25% of First \$5,000 | \$1,250.00 |
| Less | - | \$5,000.00 | (\$1,250 Maximum) | |
| | Balance | \$162,782.40 | 10% of Next \$45,000 | \$4,500.00 |
| Less | - | \$45,000.00 | (\$4,500 Maximum) | |
| | Balance | \$117,782.40 | 5% of Next \$950,000 | \$5,889.12 |
| Less | - | \$117,782.40 | (\$47,500 Maximum) | |
| | Balance | \$0.00 | 3% of Balance | \$0.00 |
| TOTAL COMPENSATION CALCULATED: | | | | \$11,639.12 |
| Less Previously Paid Compensation: | | | | \$0.00 |
| TOTAL COMPENSATION REQUESTED: | | | | \$11,639.12 |

2. TRUSTEE EXPENSES

The Trustee has incurred the following expenses:

| | | |
|----------|--|---------|
| 08/01/01 | LA: Legal Assistant 1 @ 65.0000 | \$65.00 |
| | Open file; input properties; open savings account; prepare deposit | |
| 09/04/01 | LA: Legal Assistant 0.3 @ 65.0000 | \$19.50 |
| | Prepare deposit | |
| 09/15/01 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 09/25/01 | LA: Legal Assistant 0.2 @ 65.0000 | \$13.00 |
| | Prepare deposit | |
| 10/20/01 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 10/23/01 | LA: Legal Assistant 0.2 @ 65.0000 | \$13.00 |
| | Prepare deposit | |
| 11/15/01 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 12/05/01 | LA: Legal Assistant 0.3 @ 65.0000 | \$19.50 |
| | File and serve withdrawal of application to employ realtor | |
| 12/20/01 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |

Compensation and Expenses Worksheet

Case Number: 01-32672 DRS

Debtor: PHASE II GOLF BALLS INC A

| | | |
|----------|--|---------|
| 01/15/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 02/17/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 03/15/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 04/18/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 05/19/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 06/20/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 06/26/02 | LA: Legal Assistant 0.5 @ 65.0000 Telephone conference with Dick Ritchey re: key to property; telephone call to Jim Bell; telephone call to Parker Harvey realtors | \$32.50 |
| 07/16/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 08/19/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 08/20/02 | MISC: Miscellaneous Expense 1 @ 68.0000 Change locks at property | \$68.00 |
| 09/20/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 10/23/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 11/15/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 12/13/02 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 01/15/03 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 02/17/03 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 03/19/03 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 04/04/03 | : Courier 2 @ 23.8000 | \$47.60 |
| 04/08/03 | LA: Legal Assistant 0.2 @ 65.0000 Prepare deposit | \$13.00 |
| 04/18/03 | LA: Legal Assistant 0.3 @ 22.0000 Reconcile bank statement | \$6.60 |
| 05/15/03 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |

Compensation and Expenses Worksheet

Case Number: 01-32672 DRS

Debtor: PHASE II GOLF BALLS INC A

| | | |
|----------|---|----------|
| | Reconcile bank statement | |
| 06/06/03 | LA: Legal Assistant 0.3 @ 65.0000 | \$19.50 |
| | Transfer funds; prepare check to auctioneer | |
| 06/20/03 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 07/18/03 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 08/19/03 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 09/20/03 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 10/14/03 | LA: Legal Assistant 0.3 @ 65.0000 | \$19.50 |
| | Transfer funds; prepare check to accountant for trustee | |
| 10/15/03 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 11/20/03 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 12/15/03 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 01/20/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 02/16/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 02/17/04 | COPY: Photocopy/Duplication Expense 1 @ 100.5700 | \$100.57 |
| 03/17/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 03/25/04 | LA: Legal Assistant 0.3 @ 65.0000 | \$19.50 |
| | Transfer funds; prepare check to attorney for trustee | |
| 04/18/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 05/20/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 06/18/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 07/20/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 08/16/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 09/12/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 10/20/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |

Compensation and Expenses Worksheet

Case Number: 01-32672 DRS

Debtor: PHASE II GOLF BALLS INC A

| | | |
|----------|---|---------|
| | Reconcile bank statement | |
| 11/16/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 12/20/04 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 01/18/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 02/14/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 03/17/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 04/28/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement | |
| 05/31/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 06/30/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 07/29/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 08/30/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 09/29/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 10/30/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 11/30/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 12/30/05 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 01/31/06 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 02/28/06 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 03/31/06 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 04/30/06 | LA: Legal Assistant 0.3 @ 22.0000 | \$6.60 |
| | Reconcile bank statement. | |
| 05/09/06 | COPY: Photocopy/Duplication Expense 30 pages @ 0.2000 / page | \$6.00 |
| 05/09/06 | LA: Legal Assistant 1.5 @ 65.0000 | \$97.50 |
| | Transfer funds; prepare final report, supplemental final report | |
| 05/09/06 | POST: Postage 1 charge @ 12.0000 / charge | \$12.00 |

Compensation and Expenses Worksheet

Case Number: 01-32672 DRS

Debtor: PHASE II GOLF BALLS INC A

Expense Summary

| | |
|--|----------|
| : Courier 2 @ 23.80 | \$47.60 |
| COPY: Photocopy/Duplication Expense 1 @ 100.57 | \$100.57 |
| COPY: Photocopy/Duplication Expense 30 pages @ 0.20 / page | \$6.00 |
| LA: Legal Assistant 16.8 @ 22.00 | \$369.60 |
| LA: Legal Assistant 5.1 @ 65.00 | \$331.50 |
| MISC: Miscellaneous Expense 1 @ 68.00 | \$68.00 |
| POST: Postage 1 charge @ 12.00 / charge | \$12.00 |

| | |
|----------------------------|----------|
| TOTAL EXPENSES CALCULATED: | \$935.27 |
|----------------------------|----------|

| | |
|--------------------------------|--------|
| Less Previously Paid Expenses: | \$0.00 |
|--------------------------------|--------|

| | |
|---------------------------|----------|
| TOTAL EXPENSES REQUESTED: | \$935.27 |
|---------------------------|----------|

| | |
|--|-------------|
| TOTAL EXPENSES AND COMPENSATION REQUESTED: | \$12,574.39 |
|--|-------------|

DATED: 06/13/06

SIGNED



TRUSTEE: Mark A. Weisbart, Trustee

5950 Sherry Lane, Suite 222

Dallas, TX 75225

SCHEDULE C

EXPENSES OF ADMINISTRATION

| | (1) Amount Claimed | (2) Amount Allowed | (3) Previously Paid | (4) Due |
|---|--------------------------|--------------------------|---------------------------|--------------------|
| | \$ | \$ | \$ | \$ |
| 1. 11 U.S.C. Sec.507(a)(1) <u>Court Costs and Fees</u> | 0.00 | 0.00 | 0.00 | 0.00 |
| 2. 11 U.S.C. Sec.503(b)(1)(A) <u>Preservation of estate</u> | 0.00 | 0.00 | 0.00 | 0.00 |
| A. Transportation | 0.00 | 0.00 | 0.00 | 0.00 |
| B. Storage | 0.00 | 0.00 | 0.00 | 0.00 |
| C. Wages | 0.00 | 0.00 | 0.00 | 0.00 |
| D. Estate Share FICA | 0.00 | 0.00 | 0.00 | 0.00 |
| E. Insurance | 0.00 | 0.00 | 0.00 | 0.00 |
| F. Upkeep | 0.00 | 0.00 | 0.00 | 0.00 |
| G. Others (itemize) | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. 11 U.S.C. Sec. 503(b)(2) <u>Post-Petition taxes and related penalties</u> | 0.00 | 0.00 | 0.00 | 0.00 |
| 4. 11 U.S.C. Sec. 503(b)(2) <u>Compensation and Reimbursement</u> | | | | |
| A.Compensation of Trustee | 11,639.12 | 11,639.12 | 0.00 | 11,639.12 |
| B.Expenses of Trustee | 935.27 | 935.27 | 0.00 | 935.27 |
| C.Compensation of Attorney to Trustee | 10,580.21 | 10,580.21 | 10,580.21 | 0.00 |
| D.Expenses of Accountant | 577.50 | 577.50 | 577.50 | 0.00 |
| E.Expenses of Other Prof. | 12,513.50 | 12,513.50 | 12,513.50 | 0.00 |
| 5. Court Special Charges (Excess Notices) | 0.00 | 0.00 | 0.00 | 0.00 |
| 6. U.S. Trustee fees | 0.00 | 0.00 | 0.00 | 0.00 |
| 7. Other (list) | 0.00 | 0.00 | 0.00 | 0.00 |
| TOTALS: | <u>\$36,245.60</u> | <u>\$36,245.60</u> | <u>\$23,671.21</u> | <u>\$12,574.39</u> |

SCHEDULE C-2

Expenses incurred in connection with the sale of real property

\$0.00

Title Insurance Policy \$0.00

Escrow Fee \$0.00

Realtor's Fee \$8,400.00

Filing Fee \$0.00

Taxes or Debt \$6,884.84

\$15,284.84

A. Settlement Statement

U.S. Department of Housing
and Urban Development

OMB No. 2502-0265 (Page 1)

| | | | | | | | |
|---|---------------------------------------|--|--|--|--|--|--|
| B. Type of Loan | | | | | | | |
| 1 <input type="checkbox"/> FHA | 2 <input type="checkbox"/> FHLA | 3 <input checked="" type="checkbox"/> Conv. Arms | 6. File Number 0301629 | 7. Loan Number | 8. Mortgage Ins Case Number | | |
| 4 <input type="checkbox"/> VA | 5 <input type="checkbox"/> Conv. Ins. | 6. <input type="checkbox"/> Seller Finance | | | | | |
| <p>C. Note: This form is furnished to give you a statement of actual settlement costs. Amounts paid to and by the settlement agent are shown. Items marked "(p.o.c.)" were paid outside the closing; they are shown here for informational purposes and are not included in the totals.</p> | | | | | | | |
| D. Name and Address of Borrower Irene A. Jones 1018 Pheasant Dr. Mesquite, TX 75150-4871 | | | E. Name, Address, and Tax ID Number of Seller Mark A. Weisbart, Chapter 7 Trustee in Bankruptcy, In Case No. 01-32672 of the U. S. Bankruptcy Court for the Eastern District of Texas Sherman Division 5950 Sherry Land # 221 Dallas, TX 75225 | | F. Name and Address of Lender Scotty Adams 1033 Ramey Circle Denton, TX 76205 | | |
| G. Property Location (Complete address, including legal description, if necessary) 3 Acres, Ritchey, John M., No. 708, Red River County 305 Industrial Street Clarksville, TX 75426 | | | | H. Settlement Agent Name, Address and Tax ID Number Gooding Title Company 228 North Walnut Clarksville, TX 75426 Tax ID: 75-1990639 | | | |
| | | | | I. Place of Settlement Gooding Title Co 228 North Walnut Clarksville, TX 75426-3078 | | J. Settlement Date 3/13/03 Fund: | |
| J. Summary of Borrower's Transaction | | | | K. Summary of Seller's Transaction | | | |
| 100. Gross Amount Due from Borrower | | | | 400. Gross Amount Due to Seller | | | |
| 101 Contract Sales Price | | \$140,000.00 | 401 Contract Sales Price | | \$140,000.00 | | |
| 102 Personal Property | | | 402 Personal Property | | | | |
| 103 Settlement Charges to borrower | | \$2,123.00 | 403 | | | | |
| 104 | | | 404 | | | | |
| 105 | | | 405 | | | | |
| Adjustments for items paid by seller in advance | | | | Adjustments for items paid by seller in advance | | | |
| 106 City property taxes | | | 406 City property taxes | | | | |
| 107 County property taxes | | | 407 County property taxes | | | | |
| 108 Annual assessments | | | 408 Annual assessments | | | | |
| 109 School property taxes | | | 409 School property taxes | | | | |
| 110 MUD taxes | | | 410 MUD taxes | | | | |
| 111 Other taxes | | | 411 Other taxes | | | | |
| 112 | | | 412 | | | | |
| 113 | | | 413 | | | | |
| 114 | | | 414 | | | | |
| 115 | | | 415 | | | | |
| 116 | | | 416 | | | | |
| 120. Gross Amount Due From Borrower | | \$142,123.00 | 420. Gross Amount Due to Seller | | \$140,000.00 | | |
| 200. Amounts Paid By Or In Behalf Of Borrower | | | | 500. Reductions In Amount Due to Seller | | | |
| 201 Deposit or earnest money | | | 501 Excess Deposit | | | | |
| 202 Principal amount of new loan(s) | | \$142,123.00 | 502 Settlement Charges to Seller (line 1400) | | \$8,400.00 | | |
| 203 Existing loan(s) taken subject to | | | 503 Existing Loan(s) Taken Subject to | | | | |
| 204 Commitment fee | | | 504 Payoff of first mortgage loan | | \$6,884.84 | | |
| 205 | | | 505 Payoff of second mortgage loan | | | | |
| 206 | | | 506 | | | | |
| 207 | | | 507 | | | | |
| 208 | | | 508 | | | | |
| 209 | | | 509 | | | | |
| Adjustments for items unpaid by seller | | | | Adjustments for items unpaid by seller | | | |
| 210 City property taxes | | | 510 City property taxes | | | | |
| 211 County property taxes | | | 511 County property taxes | | | | |
| 212 Annual assessments | | | 512 Annual assessments | | | | |
| 213 School property taxes | | | 513 School property taxes | | | | |
| 214 MUD taxes | | | 514 MUD taxes | | | | |
| 215 Other taxes | | | 515 Other taxes | | | | |
| 216 | | | 516 | | | | |
| 217 | | | 517 | | | | |
| 218 | | | 518 | | | | |
| 219 | | | 519 | | | | |
| 220. Total Paid By/For Borrower | | \$142,123.00 | 520. Total Reduction Amount Due Seller | | \$15,284.84 | | |
| 300. Cash At Settlement From/To Borrower | | | | 600. Cash At Settlement To/From Seller | | | |
| 301 Gross Amount due from borrower (line 120) | | \$142,123.00 | 601 Gross Amount due to seller (line 420) | | \$140,000.00 | | |
| 302 Less amounts paid by/for borrower (line 220) | | \$142,123.00 | 602 Less reductions in amt. due seller (line 520) | | \$15,284.84 | | |
| 303. Cash Borrower | | \$0.00 | 603. Cash To Seller | | \$124,715.16 | | |

| I. Settlement Charges | | | | Paid From Borrower's Funds at Settlement | Paid From Seller's Funds at Settlement |
|---|---|--|--|---|---|
| 700 | Total Sales/Broker's Commission based on price | \$140,000.00 | @%6 = \$8,400.00 | | |
| Division of Commission (line 700) as follows: | | | | | |
| 701 | \$8,400.00 | to | Mark A Weisbart, Trustee in Bankruptcy | | |
| 702 | | to | | | |
| 703 | Commission Paid at Settlement | | | | \$8,400.00 |
| 800. Items Payable in Connection with Loan | | | | | |
| 801 | Loan Origination Fee | % | to | | |
| 802 | Loan Discount | % | to | | |
| 803 | Appraisal Fee | | to | | |
| 804 | Credit Report | | to | | |
| 805 | Lender's Inspection Fee | | to | | |
| 806 | Mortgage Insurance Application | | to | | |
| 807 | Assumption Fee | | to | | |
| 900. Items Required by Lender To Be Paid in Advance | | | | | |
| 901 | Interest from | to | @ /day | | |
| 902 | Mortgage Insurance Premium for | months | to | | |
| 903 | Hazard Insurance Premium for | years | to | | |
| 1000. Reserves Deposited With Lender | | | | | |
| 1001 | Hazard insurance | months @ | per month | | |
| 1002 | Mortgage insurance | months @ | per month | | |
| 1003 | City property taxes | months @ | per month | | |
| 1004 | County property taxes | months @ | per month | | |
| 1005 | Annual assessments | months @ | per month | | |
| 1006 | School property taxes | months @ | per month | | |
| 1007 | MUD taxes | months @ | per month | | |
| 1008 | Other taxes | months @ | per month | | |
| 1011 | Aggregate Adjustment | | | | |
| 1100. Title Charges | | | | | |
| 1101 | Settlement or closing fee | to | | | |
| 1102 | Abstract or title search | to | | | |
| 1103 | Title examination | to | | | |
| 1104 | Title insurance binder | to | | | |
| 1105 | Document preparation | to | Gooding & Gooding | \$570.00 | |
| 1106 | Notary fees | to | | | |
| 1107 | Attorney's fees | to | | | |
| (includes above items numbers:) | | | | | |
| 1108 | Title insurance | to | Gooding Title Co | \$1,168.00 | |
| (includes above items numbers:) | | | | | |
| 1109 | Lender's coverage | | \$142,123.00/\$0.00 | | |
| 1110 | Owner's coverage | | \$140,000.00/\$1,168.00 | | |
| 1111 | Escrow fee | to | Gooding Title Co | \$300.00 | |
| 1200. Government Recording and Transfer Charges | | | | | |
| 1201 | Recording fees | Deed \$11.00 ; Mortgage \$15.00 ; Releases \$11.00 | | \$37.00 | |
| 1202 | City/county tax/stamps | Deed ; Mortgage to | | | |
| 1203 | State tax/stamps | Deed ; Mortgage to | | | |
| 1204 | Tax certificates | to | Gooding Title Co | \$15.00 | |
| 1205 | Filing Resolution | to | Gooding Title Co | \$11.00 | |
| 1206 | Filing Chain Deed | to | Gooding Title Co | \$11.00 | |
| 1207 | Filing Quit Claim Deed | to | Gooding Title Co | \$11.00 | |
| 1300. Additional Settlement Charges | | | | | |
| 1301 | Survey | to | | | |
| 1302 | Pest Inspection | to | | | |
| 1303 | Express Mail or Federal Express | to | Gooding Title Co | | |
| 1304 | Wire Transfer Fee | to | | | |
| 1400 | Total Settlement Charges (enter on lines 103, Section J and 502, Section K) | | | \$2,123.00 | \$8,400.00 |

I have carefully reviewed the HUD-1 Settlement Statement and to the best of my knowledge and belief, it is a true and accurate statement of all receipts and disbursements made on my account or by me in this transaction. I further certify that I have received a completed copy of pages 1, 2 and 3 of this HUD-1 Settlement Statement.

Irene A. Jones

Mark A. Weisbart, Chapter 7 Trustee in Bankruptcy, In Case No. 01-32672 of the U. S. Bankruptcy Court for the Eastern District of Texas Sherman Division

SETTLEMENT AGENT CERTIFICATION

The HUD-1 Settlement Statement which I have prepared is a true and accurate account of this transaction. I have caused the funds to be disbursed in accordance with this statement.

Settlement Agent

Date

Warning: It is a crime to knowingly make false statements to the United States on this or any other similar form. Penalties upon conviction can include a fine and imprisonment. For details see: Title 18 U.S. Code Section 1001 and Section 1010.

Seller's Taxpayer Identification Number Solicitation and Certification
You are required by law to provide the Settlement Agent named above with your correct taxpayer identification number. If you do not provide the Settlement Agent with your correct taxpayer identification number, you may be subject to civil or criminal penalties imposed by law. Under Penalties of perjury, I certify that the number shown on this statement is my correct taxpayer identification number.

Seller's Signature

Date

FDIC LIMIT NOTICE

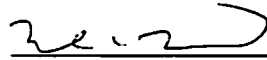
Date: March 13, 2003
File No.: 0301629
Escrow Agent: Gooding Title Co.

Seller: Mark A. Welsbart, Chapter 7 Trustee in Bankruptcy, in Case No. 01-32672 in the U. S. Bankruptcy Court for the Eastern District of Texas Sherman Division

Buyer: Irene A. Janes

1. The undersigned hereby acknowledge that they understand that the insurance coverage provided by the Federal Deposit Insurance Corporation protects a depositor up to a cumulative maximum deposit of \$100,000.00 for each insured financial institution. Ownership is determined by the deposit records of the financial institution and/or the records of the named custodian of any escrow accounts.
2. The undersigned hereby acknowledge that they understand that certain instruments including, but not limited to, repurchase agreements and letters of credit, are not insured by the Federal Deposit Insurance Corporation.
3. The undersigned hereby acknowledge that they understand that Escrow Agent and its underwriter assume no responsibility for, nor will the undersigned hold same liable for, any loss which arises from the fact that the amount of the above deposit may cause the aggregate amount of any individual depositor's accounts to exceed \$100,000.00.

Irene A. Janes



Mark A. Welsbart, Chapter 7 Trustee in Bankruptcy, in Case No. 01-32672 in the U. S. Bankruptcy Court for the Eastern District of Texas Sherman Division

Date

3-27-03

Date

SCHEDULE D

SECURED CLAIMS

| <u>Claim No.</u> | <u>Amount Claimed</u> | <u>Amount Not Determined</u> | <u>Amount Allowed</u> | <u>Previously Paid</u> | <u>Due</u> |
|----------------------|---------------------------|----------------------------------|---------------------------|----------------------------|-------------|
| 0 | 60,300.83 | 60,300.83 | 60,300.83 | 60,300.83 | 0.00 |
| 000002 | 20,479.70 | 20,479.70 | 20,479.70 | 0.00 | 0.00 |
| 000004 | 75,000.00 | 75,000.00 | 75,000.00 | 0.00 | 0.00 |
| 000005 | 75,000.00 | 75,000.00 | 75,000.00 | 0.00 | 0.00 |
| | <u>230,780.53</u> | <u>230,780.53</u> | <u>230,780.53</u> | <u>60,300.83</u> | <u>0.00</u> |

IDENTIFICATION OF SECURED PARTIED AFFECTED:

| <u>Claim No.</u> | <u>Name of Creditor</u> | <u>Claim No.</u> | <u>Name of Creditor</u> |
|----------------------|-------------------------------|----------------------|-------------------------|
| 0 | HELLER FIRST CAPITAL CORP. | 000002 | STATE BANK OF DEKALB |
| 000004 | SPIRIT BANK | 000005 | SPIRIT BANK |

SCHEDULE E

**PRIORITY CLAIMS OTHER THAN ADMINISTRATIVE EXPENSES IN THE
FOLLOWING ORDER OF PRIORITY**

| | (1) Amount Claimed | (2) Amount Allowed | (3) Previously Paid | (4) Due |
|--|--------------------------|--------------------------|---------------------------|---------------|
| | \$ | \$ | \$ | \$ |
| 1. For Credit extended Sec. 364(a)(1) | 0.00 | 0.00 | 0.00 | 0.00 |
| 2. Claims from failure of "adequate protection" Sec. 307(a)(b) | 0.00 | 0.00 | 0.00 | 0.00 |
| 3. "Gap Claims" Sec. 507(a)(2) | 0.00 | 0.00 | 0.00 | 0.00 |
| 4. Wages, etc. Sec. 507(a)(3) | 0.00 | 0.00 | 0.00 | 0.00 |
| 5. Contributions to benefit plans Sec. 507(a)(4) | 0.00 | 0.00 | 0.00 | 0.00 |
| 6. Consumer deposits Sec. 507(a)(6) | 0.00 | 0.00 | 0.00 | 0.00 |
| 7. Alimony/Child Support Sec. 507(a)(7) | 0.00 | 0.00 | 0.00 | 0.00 |
| 8. Taxes Sec. 507(a)(8) | 0.00 | 0.00 | 0.00 | 0.00 |
| 9. Other: No Basis | | | | |
| TOTALS: | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$0.00</u> | <u>\$0.00</u> |

PRIORITY PARTIES AFFECTED:

| Claim No. | Name of Creditor | Claim No. | Name of Creditor |
|--------------|------------------|--------------|------------------|
| _____ | _____ | _____ | _____ |

FILED UNSECURED CLAIMS TOTAL: \$18,580.41
SUBORDINATE UNSECURED CLAIM: \$

ANALYSIS OF CLAIMS REGISTER

CASE NO: 01-32672-DRS

CASE NAME: PHASE II GOLF BALLS INC A

CLAIMS BAR DATE: 12/06/01

CLAIMS REVIEWED BY: Mark A. Weisbart, Trustee

| Code # | Creditor Name & Address | Claim Class | Notes | Scheduled | Claimed | Allowed |
|-----------------------------------|---|----------------|---------------------------------|-----------|------------|------------|
| | Mark A. Weisbart, Trustee 5950 Sherry Lane, Suite 222 Dallas, TX 75225 | Administrative | | 0.00 | 10,874.88 | 10,874.88 |
| | Mark A. Weisbart, Trustee 5950 Sherry Lane, Suite 222 Dallas, TX 75225 | Administrative | | 0.00 | 935.27 | 935.27 |
| 0 221 222 | Mark W. Weisbart Kessler & Collins 5950 Sherry Lane, Suite 222 Dallas, TX 75225 | Administrative | | 0.00 | 10,580.21 | 10,580.21 |
| 0 231 233 | Mulloy & Company 1603 LBJ Freeway, Suite 850 Dallas, TX 75234 | Administrative | | 0.00 | 577.50 | 577.50 |
| 0 239 239 | Brunson & Associates 4400 Forney Rd. Mesquite, TX 75149 | Administrative | | 0.00 | 12,513.50 | 12,513.50 |
| Subtotal for Class Administrative | | | | 0.00 | 35,481.36 | 35,481.36 |
| 0 120 120 | Heller First Capital Corp. c/o Fernandez & Gibbs, LLP 2001 Bryan St., Suite 3050 Dallas, TX 75201-3050 | Secured | | 60,300.83 | 60,300.83 | 60,300.83 |
| 000002 120 120 | State Bank of DeKalb 200 W. Main Clarksville, TX 75426 | Secured | Order disallowing dated 3/28/03 | 0.00 | 20,479.70 | 20,479.70 |
| 000004 120 120 | Spirit Bank PO Box 1283 Sapulpa, Oklahoma 74067 | Secured | Order disallowing dated 3/28/03 | 0.00 | 75,000.00 | 75,000.00 |
| 000005 120 120 | Spirit Bank PO Box 1283 Sapulpa, Oklahoma 74067 | Secured | Order disallowing dated 3/28/03 | 0.00 | 75,000.00 | 75,000.00 |
| Subtotal for Class Secured | | | | 60,300.83 | 230,780.53 | 230,780.53 |
| 000001 400 400 | Red River Appraisal District PO Box 461 Clarksville, TX 75426 | Unsecured | | 0.00 | 8,057.81 | 8,057.81 |

| Code # | Creditor Name & Address | Claim Class | Notes | Scheduled | Claimed | Allowed |
|------------------------------|---|-------------|----------------------------------|-----------|------------|------------|
| 000003 400 400 | Plastic Ingenuity 1017 Park St Cross Plains, Wisconsin 53528 | Unsecured | | 0.00 | 8,892.11 | 8,892.11 |
| 000006 400 400 | Paula S. Reeder Rt. 6 Box 590 Clarksville, TX 75426 | Unsecured | Allowed as nonpriority unsecured | 0.00 | 1,500.00 | 1,500.00 |
| 000007 400 400 | Valor Telecommunications Phillip P. Sauder, Esq. 5521 Greenville, Suite 104-253 Dallas, TX 75206 | Unsecured | | 0.00 | 130.49 | 130.49 |
| Subtotal for Class Unsecured | | | | 0.00 | 18,580.41 | 18,580.41 |
| Case Totals: | | | | 60,300.83 | 284,842.30 | 284,842.30 |

Code #: Trustee's Claim Number, Priority Code, Claim Type

Eastern District of Texas Claims Register

01-32672 Phase II Golf Balls, Inc., A Corporation

Honorable Donald R. Sharp

Debtor Name: PHASE II GOLF BALLS, INC., A

| | | |
|--|---|---|
| Claim No: 1 | Creditor Name: Red River Appraisal District PO Box 461 Clarksville, TX 75426 | Last Date to File Claims: 12/06/2001 Last Date to File (Govt): Filing Status: Allow Docket Status: Late: |
| Claim Date: 09/19/2001 | Amends Claim No: 0 Amended By Claim No: | Duplicates Claim No: 0 Duplicated By Claim No: |
| Class | Amount Claimed | Amount Allowed |
| Unsecured | \$8057.81 | |
| Secured | \$0.00 | |
| Priority | \$0.00 | OK |
| Unknown | \$0.00 | |
| Admin | \$0.00 | |
| Total | \$8057.81 | |
| Description | | |
| Remarks: Converted from BANCAP. | | |

| | | |
|--|--|---|
| Claim No: 2 | Creditor Name: State Bank of DeKalb 200 W. Main Clarksville, TX 75426 | Last Date to File Claims: 12/06/2001 Last Date to File (Govt): Filing Status: Allow Docket Status: Late: |
| Claim Date: 09/21/2001 | Amends Claim No: 0 Amended By Claim No: | Duplicates Claim No: 0 Duplicated By Claim No: |
| Class | Amount Claimed | Amount Allowed |
| Unsecured | \$0.00 | |
| Secured | \$20479.70 | |
| Priority | \$0.00 | OK |
| Unknown | \$0.00 | Filing |
| Admin | \$0.00 | Filing |
| Total | \$20479.70 | |
| Description | | |
| Remarks: Converted from BANCAP. | | |

| | | |
|--|--|--|
| | | Last Date to File Claims: 12/06/2001 |
|--|--|--|

| | | |
|--|--|--|
| Claim No: 3 | Creditor Name: Plastic Ingenuity 1017 Park St Cross Plains, Wisconsin 53528 | Last Date to File (Govt): Filing Status: Allow Docket Status: Late: |
| Claim Date: 09/24/2001 | Amends Claim No: 0 Amended By Claim No: | Duplicates Claim No: 0 Duplicated By Claim No: |
| Class | Amount Claimed | Amount Allowed |
| Unsecured | \$8892.11 | |
| Secured | \$0.00 | |
| Priority | \$0.00 | |
| Unknown | \$0.00 | OK |
| Admin | \$0.00 | |
| Total | \$8892.11 | |
| Description | | |
| Remarks: Converted from BANCAP. | | |

| | | |
|--|--|---|
| Claim No: 4 | Creditor Name: Spirit Bank PO Box 1283 Sapulpa, Oklahoma 74067 <i>alter to file for 101 201 12/06/01 State 707 Docket To 70000</i> | Last Date to File Claims: 12/06/2001 Last Date to File (Govt): Filing Status: Disallow Docket Status: Late: |
| Claim Date: 09/24/2001 | Amends Claim No: 0 Amended By Claim No: | Duplicates Claim No: 0 Duplicated By Claim No: 5 |
| Class | Amount Claimed | Amount Allowed |
| Unsecured | \$0.00 | |
| Secured | \$75000.00 | <i>Objected - sound</i> |
| Priority | \$0.00 | |
| Unknown | \$0.00 | |
| Admin | \$0.00 | |
| Total | \$75000.00 | |
| Description | | |
| Remarks: Converted from BANCAP. | | |

| | | |
|----------------------------------|---|---|
| Claim No: 5 | Creditor Name: Spirit Bank PO Box 1283 Sapulpa, Oklahoma 74067 | Last Date to File Claims: 12/06/2001 Last Date to File (Govt): Filing Status: Disallow Docket Status: Late: |
| Claim Date: 09/24/2001 | Amends Claim No: 0 Amended By Claim No: | Duplicates Claim No: 4 Duplicated By Claim No: |
| Class | Amount Claimed | Amount Allowed |
| Unsecured | \$0.00 | |

| | | |
|---------------------------------------|-------------------|----------------------------|
| Secured | \$75000.00 | |
| Priority | \$0.00 | objection - duplicate of 4 |
| Unknown | \$0.00 | order challenge |
| Admin | \$0.00 | |
| Total | \$75000.00 | |
| <i>Description</i> | | |
| <i>Remarks</i> Converted from BANCAP. | | |

| | | |
|---------------------------------------|---|--|
| Claim No: 6 | <i>Creditor Name:</i> Paula S. Reeder Rt. 6 Box 590 Clarksville, TX 75426 | <i>Last Date to File Claims:</i> 12/06/2001 <i>Last Date to File (Govt):</i> <i>Filing Status:</i> Allow <i>Docket Status:</i> <i>Late:</i> |
| <i>Claim Date:</i> 11/19/2001 | <i>Amends Claim No:</i> 0 <i>Amended By Claim No:</i> | <i>Duplicates Claim No:</i> 0 <i>Duplicated By Claim No:</i> |
| Class | Amount Claimed | Amount Allowed |
| Unsecured | \$0.00 | |
| Secured | \$0.00 | objection - duplicate |
| Priority | \$0.00 | allow - no objection |
| Unknown | \$1500.00 | unsecured claim |
| Admin | \$0.00 | |
| Total | \$1500.00 | |
| <i>Description</i> | | |
| <i>Remarks</i> Converted from BANCAP. | | |

| | | |
|---------------------------------------|---|--|
| Claim No: 7 | <i>Creditor Name:</i> Valor Telecommunications Phillip P. Sauder, Esq. 5521 Greenville, Suite 104-253 Dallas, TX 75206 | <i>Last Date to File Claims:</i> 12/06/2001 <i>Last Date to File (Govt):</i> <i>Filing Status:</i> Allow <i>Docket Status:</i> <i>Late:</i> |
| <i>Claim Date:</i> 11/28/2001 | <i>Amends Claim No:</i> 0 <i>Amended By Claim No:</i> | <i>Duplicates Claim No:</i> 0 <i>Duplicated By Claim No:</i> |
| Class | Amount Claimed | Amount Allowed |
| Unsecured | \$130.49 | |
| Secured | \$0.00 | |
| Priority | \$0.00 | objection |
| Unknown | \$0.00 | |
| Admin | \$0.00 | |
| Total | \$130.49 | |
| <i>Description</i> | | |
| <i>Remarks</i> Converted from BANCAP. | | |

Claims Register Summary

Case Name: Phase II Golf Balls, Inc., A Corporation

Case Number: 2001-32672

Chapter: 7

Date Filed: 07/10/2001

Total Number Of Claims: 7

| | Total Amount Claimed | Total Amount Allowed |
|----------------|----------------------|----------------------|
| Unsecured | \$17080.41 | |
| Secured | \$95479.70 | |
| Priority | \$0.00 | |
| Unknown | \$1500.00 | |
| Administrative | \$0.00 | |
| Total | \$114060.11 | |

| PACER Service Center | | | |
|----------------------|--------------|--------------|----------|
| Transaction Receipt | | | |
| 01/18/2003 09:53:22 | | | |
| PACER Login: | we0115 | Client Code: | |
| Description: | SearchClaims | Case Number: | 01-32672 |
| Billable Pages: | 2 | Cost: | 0.14 |

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

IN RE
PHASE II GOLF BALLS INC A

DEBTOR(S).

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§
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CASE NO. 01-32672-DRS
CHAPTER 7

TRUSTEE'S REPORT OF PROPOSED FINAL DISTRIBUTIONS


The undersigned Trustee of the estate hereby submits to the Court and to the United States Trustee this Report of Proposed Final Distributions.

1. The Court has entered Orders which have become final, and which dispose of all Objections to Claims, all objections to the Trustee's Final Report, all Applications for Compensation, and all other matters which must be determined by the Court before final distribution can be made.
2. The Trustee proposes to make final distribution of the funds of the estate as follows, and will make such distribution unless written objection thereto is made, filed and served on the Trustee and on the United States Trustee.

| | | | |
|----|--|-------------|-------------|
| 1. | BALANCE ON HAND | | \$68,525.52 |
| 2. | ADMINISTRATIVE EXPENSES TO BE PAID *(NOTE) | \$12,574.39 | |
| 3. | SECURED CLAIMS TO BE PAID *(NOTE) | \$0.00 | |
| 4. | PRIORITY CLAIMS TO BE PAID *(NOTE) | \$0.00 | |
| 5. | UNSECURED CLAIMS TO BE PAID *(NOTE) | \$25,229.17 | |
| 6. | OTHER DISTRIBUTIONS TO BE PAID *(NOTE) | \$30,721.96 | |
| 7. | TOTAL DISTRIBUTIONS TO BE MADE (SUM OF LINES 2 THROUGH 6) | | \$68,525.52 |
| 8. | ZERO BALANCE AFTER ALL DISTRIBUTIONS (LINE 1 LESS LINE 7) | | |

*(SEE ATTACHED SCHEDULE OF PAYEES AND AMOUNTS)

Date: 6-20-06


Mark A. Weisbart
Chapter 7 Trustee

PROPOSED DISTRIBUTION

Case Number: 01-32672 DRS

Page 1

Date: June 15, 2006

Debtor Name: PHASE II GOLF BALLS INC A

| Claim # | Payee Name | Class | Priority | Amount | Paid to Date | Claim Balance | Proposed Payment | Interest Paid To Date | Proposed Interest | Total Proposed Pymt | Funds Remaining |
|------------------------------------|---|-------|----------|-------------|--------------|---------------|------------------|-----------------------|-------------------|---------------------|-----------------|
| Beginning Balance | | | | | | | | | | | \$68,525.52 |
| | Mark A. Weisbart, Trustee COMPENSATION | Admin | | \$11,639.12 | \$0.00 | \$11,639.12 | \$11,639.12 | \$0.00 | \$0.00 | \$11,639.12 | \$56,886.40 |
| | Mark A. Weisbart, Trustee EXPENSES | Admin | | \$935.27 | \$0.00 | \$935.27 | \$935.27 | \$0.00 | \$0.00 | \$935.27 | \$55,951.13 |
| 0 | Mark W. Weisbart | Admin | 221 | \$10,580.21 | \$10,580.21 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$55,951.13 |
| 0 | Mulloy & Company | Admin | 231 | \$577.50 | \$577.50 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$55,951.13 |
| 0 | Brunson & Associates | Admin | 239 | \$12,513.50 | \$12,513.50 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$55,951.13 |
| Subtotals For Class Administrative | | | | 100.00000 % | \$36,245.60 | \$23,671.21 | \$12,574.39 | \$12,574.39 | \$0.00 | \$0.00 | \$12,574.39 |
| 000001 | Red River Appraisal District | Unsec | 400 | \$8,057.81 | \$0.00 | \$8,057.81 | \$9,499.50 | \$0.00 | \$1,441.69 | \$10,941.19 | \$45,009.94 |
| 000003 | Plastic Ingenuity | Unsec | 400 | \$9,499.50 | \$0.00 | \$9,499.50 | \$10,483.07 | \$0.00 | \$1,590.96 | \$12,074.03 | \$32,935.91 |
| 000006 | Paula S. Reeder | Unsec | 400 | \$1,500.00 | \$0.00 | \$1,500.00 | \$1,768.38 | \$0.00 | \$268.38 | \$2,036.76 | \$30,899.15 |
| 000007 | Valor Telecommunications | Unsec | 400 | \$130.49 | \$0.00 | \$130.49 | \$153.84 | \$0.00 | \$23.35 | \$177.19 | \$30,721.96 |
| Subtotals For Class Unsecured | | | | 131.48548 % | \$19,187.80 | \$0.00 | \$19,187.80 | \$21,904.79 | \$0.00 | \$3,324.38 | \$25,229.17 |
| 0 | Heller First Capital Corp. | Sec | 120 | \$60,300.83 | \$60,300.83 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$30,721.96 |
| 000002 | State Bank of DeKalb | Sec | 120 | \$20,479.70 | \$0.00 | \$20,479.70 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$30,721.96 |
| 000004 | Spirit Bank | Sec | 120 | \$75,000.00 | \$0.00 | \$75,000.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$30,721.96 |
| 000005 | Spirit Bank | Sec | 120 | \$75,000.00 | \$0.00 | \$75,000.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$30,721.96 |
| Subtotals For Class Secured | | | | 26.12908 % | \$230,780.53 | \$60,300.83 | \$170,479.70 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

PROPOSED DISTRIBUTION

Case Number: 01-32672 DRS

Page 2

Date: June 15, 2006

Debtor Name: PHASE II GOLF BALLS INC A

| Claim # | Payee Name | Class | Priority | Amount | Paid to Date | Claim Balance | Proposed Payment | Interest Paid To Date | Proposed Interest | Total Proposed Pymt | Funds Remaining |
|--------------|------------|-------|----------|--------------|--------------|---------------|------------------|-----------------------|-------------------|---------------------|-----------------|
| << Totals >> | | | | \$286,213.93 | \$83,972.04 | \$202,241.89 | \$34,479.18 | \$0.00 | \$3,324.38 | \$37,803.56 | \$30,721.96 * |

Proposed distribution is dependent on the Court's rulings on administrative expenses, contest of claims, and/or objections made to this proposed distribution. Interest was calculated from the Case Petition Date of 07/10/01 through 05/09/06 at a rate of 3.7% (annualized simple interest).

*Distributed to Phase II Trust per Order approving compromise.

UNITED STATES BANKRUPTCY COURT
FOR THE EASTERN DISTRICT OF TEXAS
SHERMAN DIVISION

IN RE
PHASE II GOLF BALLS INC A

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DEBTOR(S). §
CASE NO. 01-32672-DRS
CHAPTER 7

ORDER APPROVING TRUSTEE'S FINAL REPORT
AND ALLOWING COMPENSATION

The Trustee has filed a Final Report along with Applications for Compensation and a Report of Proposed Distribution. Notice of the filing of such Final Report and Applications were given to the creditors in this proceeding and any objections, if filed, have been resolved. After having reviewed said Final Report and Applications, it hereby ordered that the Final Report is approved and trustee is authorized to make disbursements with his Report of Proposed Distribution and as described below:

1. Mark A. Weisbart, Trustee, is allowed compensation of \$11,639.12, of which \$0.00 has previously been paid.
2. Mark A. Weisbart, Trustee, is allowed reimbursement of \$935.27, of which \$0.00 has previously been paid.

Date: _____

HONORABLE BRENDA T. RHOADES
UNITED STATES BANKRUPTCY JUDGE